MARKETING STRATEGY MANAGEMENT AND DEVELOPMENT OF OTOP PRODUCTS SMES BUSINESS: TO COMPETE IN THE ASEAN OF THE COMMUNITY ENTERPRISES IN CHUMPHON PROVINCE, THAILAND

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Abstract - This paper presents the management of marketing strategies and the development of OTOP product SMEs business. To compete in the ASEAN of the community enterprises group in case study Chumphon province, in Thailand. The objective of this study was to investigate the market conditions and develop an OTOP competition strategy. Qualitative research was used in this study. The research paper instrument, in-depth interview from entrepreneurs, was used to collect the data which were analyzed by using PRIMO-F model in the part of the context within an organization. PEST analysis, and SWOT analysis were used in the external environment of SMEs business. TOWS matrix technique was used in the operation of market strategic business planning, was used in data determining a measure with the success of the implementation of strategies. The population for this research was 495 sample entrepreneurs of OTOP. Data were collected by using questionnaire. Descriptive statistics were used in analysis were percentage and weighted score. The research results found that strategic marketing mix 4Ps management: such as product, place, promotion and price, respectively. The strategic marketing of OTOP products management in SMEs had positive effect on competitive advantage in changing economy of the community products for SMEs business in Chumphon province, Thailand.

Index Terms - Marketing strategy, promotion, management, SMEs business, OTOP products

I. INTRODUCTION

The government has made great strides to promote and support in the Thai economic development of one tambon one product (OTOP) for the community area. Therefore, it has established a community enterprise of SMEs business to compete in the marketing. This is a community activity on products in the province area. To create income for the community and to help each other in the community, the development of the capacity level to manage the marketing economic of the community is strong. It can be developed into the operator. A result from families of the community area can rely on themselves [1]. The entrepreneur of OTOP products in SMEs businesses, it aims to seek competitive strategies for market business competition that lead to a competitive advantage in a highly competitive economy by striving for a higher level of OTOP products SMEs business competitiveness within the international marketing place. Thus, market strategy management is a highly competitive business strategy. Marketing management is a tool to drive and deliver products and services to meet the needs of our customers, leading to maximum customers satisfaction, in marketing businesses must seek new strategies, especially marketing strategies management, to be used as tools for collect data, to enhance their competitive advantage of the community in province, leading to a competitive advantage of the SMEs business, the production strategy that must be taken into account, and OTOP products that meet the needs of customers correctly. While pricing strategies need to focus on pricing that consumers with accept and are willing to pay because they are good cost effective. The distribution channels strategy to distribute OTOP products in accordance the buying behavior of customers. There are also marketing promotion strategies. Business need to be more motivated to attract customer and their products.

Therefore, the researcher to make studied the strategic market management in the Thai economy. It has changed with the competitive advantage of the OTOP production business in Chumphon province, this paper objective to study strategic market management that has a competitive advantage in the changing economy, by collecting data from the product of SMEs business operator. The research results are used as a guide to planning and developing strategic marketing to be appropriate [2].

II. RESEARCH OBJECTIVES

1. To study the marketing condition of OTOP community product processing of Chumphon province in Thailand.
2. To analyze the factors affecting the success of strategic management of OTOP products process in the community.
3. To develop products in the community area to earn a stable income and profit of tambon area.

4. To study the impact of strategic market management on the competitive advantage of the changing economies of the ASEAN market of the tourism business in Thailand.
5. To find market distribution channels and increase sales to members groups of the community enterprise products of amphoe Lang Suan, in Chumphon province.
6. To develop products in Chumphon community area to receive national standard and to make the income of the OTOP producers groups in the tourism business in Thailand.

III. SCOPE OF RESEARCH

This research is a study on the management of marketing strategies and the development of product processing SMEs business in the community of Chumphon province in Thailand. The researchers have defined the area scope of study of population groups, factors used and duration of data collection are as follows: The study area for research was amphoe Sawi and Lang Suan, Chumphon province in Thailand. The population of the study is interested in the processing of the community products is a total 10 communities. The main factors used are the operation and management of marketing by the marketing mix 4 Ps. The products used in the processing are the products of the community in Chumphon Province such as banana, mangosteen, durian, coffee, bird nest, etc. and duration of data collection for in this research. The research was conducted distance between February 2017 and March 2018.

IV. EXPECTED BENEFITS RESEARCH

The study with marketing strategies of OTOP community products, the researchers have found that they can manage strategies and market development of products in the SMEs business. The income and benefits are expected from the research as follows

1. The results of research can be used in development to improve marketing management and lead to the success of the community business.
2. The results of research are used as a guide to planning and developing strategic marketing of SMEs business. It can create competitive advantages for OTOP product.
3. The output from the products processing of the area community products in that province. It can be used as a guideline to develop new product models to meet the needs of more consumers.
4. It can make money or profits and create local wisdom to strengthen the community from work diligence.
5. It can increase the potential of community groups and promoting creativity occurs in the community.

V. THEORETICAL CONCEPTS IN RESEARCH

Marketing management will make the operation of the business successful. This will depend on improving the appropriate relationship of this marketing mix 4 Ps include:

1. Products means: the object was sold in the market for use or consumption and can meet the needs of the market.
2. Price means: product value in money by the consumer will compare the value of the product with the price.
3. Place means: the mechanism involved in moving goods from the manufacturer to the consumer. The criteria to be considered in product distribution of sales such as: location, distribution channels, outlet, merchandising and inventory management.
4. Promotion marketing means: the communication tool to satisfy the brand or service or idea to the person. It may be the communication between the seller and the buyer. To create a buying attitude and behavior. Which the mix of marketing promotion such as: advertising, public relations, sales by individuals and promotion.

Strategic management refers to the definition of vision, mission, objective and goal of the community in the short and long term, by planning activities so that the community can carry out the tasks that lead to achieving the objectives and goals set [3].



Fig. 1: Banana products of the community in Chumphon province, Thailand



Fig. 2: Bird nest products of the community in Chumphon province, Thailand

A. Analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT)

SWOT analysis, such as environmental factors analysis and potential analysis, is a tool for assessing a situation for an organization or project [4]. This helps the management to determine the business strengths and weaknesses of the internal environment, opportunities and threats from the external environment and the potential impact of these factors in the OTOP products SMEs business to compete in the ASEAN of the community group enterprises. The SWOT analysis, it is important to define the factors that should not be defined by data factors such as weaknesses (W), strengths (S), opportunities (O) and threats (T) that are related. However, the scope should be clearly defined as a factor in the group organization.

B. Analysis of Matrix Threats- Opportunities -Weaknesses - Strengths (TOWS Matrix)

TOWS matrix is used in the analysis to determine market strategies of products in the SMEs business. There are steps to identify from strengths, weaknesses, opportunities and threats. For analysis of the TOWS matrix relationship that of external and internal factor values can be classified to 4 strategies are include: market strategy of strengths with opportunities (SO), strategy of strengths with threats (ST), strategy weaknesses with opportunities (WO) and market strategy weaknesses with threats (WT). The details are as follows:

SO strategy: is a new way of thinking with implementing existing strengths, to gain advantage over opportunities.

WO strategy: an attempt to improve internal weaknesses by taking advantage of external opportunities.

ST strategy: use existing strengths to find a way to avoid or minimize the impact of external threats.

WT strategy: is protects its own business with purpose, to reduce minimize of internal weaknesses and to avoid external threats [4].

VI. RESEARCH HYPOTHESIS

This research assumes that research is a strategic market management in the OTOP products that positive affects the competitive advantage of a SMEs business. The researcher studied the strategic market management in the changing economy with the competitive advantage of the business. The data was collected from OTOP products that of a SMEs business operator of community in Chumphon province. In Fig. 3 shows the conceptual framework of the research with the independent variables is include: products, price, place and promotion and the dependent variable is competitive advantage of OTOP products in SMEs business.

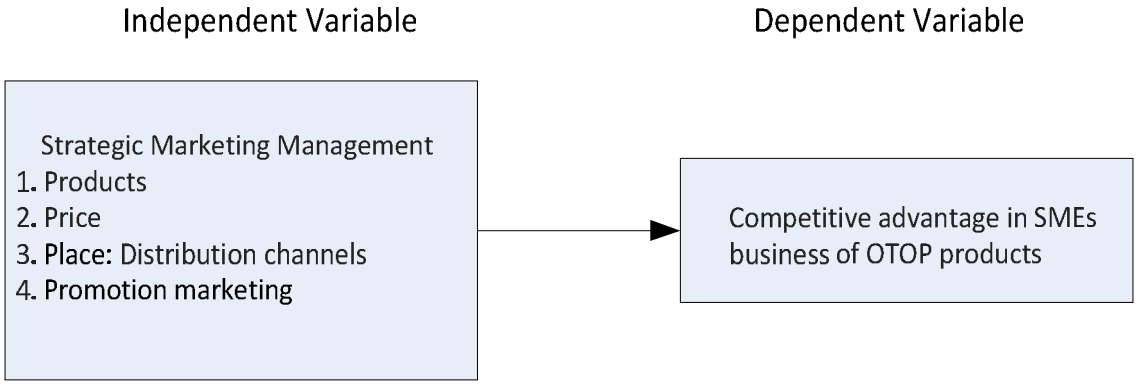


Fig. 3: Conceptual framework in research

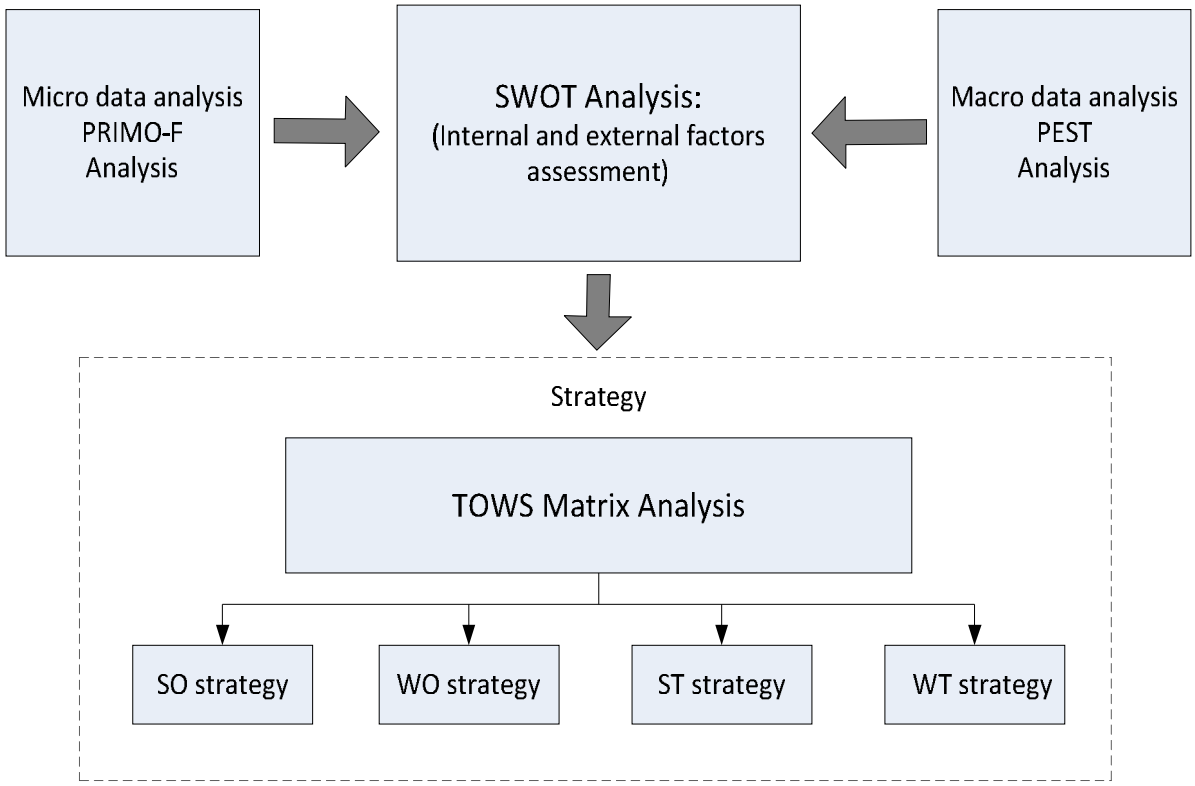


Fig. 4: Conceptual framework in research using SWOT analysis and TOWS matrix analysis



Fig. 5: Coffee products of the community in Chumphon province, Thailand



Fig. 6: Durian products of the community in Chumphon province, Thailand

VII. RESEARCH METHODOLOGY

Starting from the study is used as a guide to developing and marketing management of OTOP products in the SMEs business to ASEAN. Researchers have defined the detail as:

1. Population and sample
2. Research tool
3. Quality testing of research instruments
4. Data collection methods
5. Steps to research methodology
6. Data analysis

A. Population and Sample

The sample groups used in the study and research were the entrepreneurs and members population of the OTOP products group in tambon of amphoe Sawi and Lang Suan, Chumporn province, in Thailand. By in-depth interviews are included in the questionnaire. The in-depth interview was conducted to gain insights into the concept is a total 10 communities and were 495 samples, include: the chairman of group, management committee, product group member. The members are responsible for the production process and finding distribution channels with selecting the specific interview or purposive sampling.

B. Tools Used to Collect Data

For this research instrument was a questionnaire. The questionnaire was used to collect data total 495 population groups. The researcher collected data by himself and his assistant researcher. The questionnaire was returned to the respondents, with a response rate of 100 %, and can be classified into 3 types as follows

Type 1: The questionnaire about general information of OTOP products such as: age, education and family income.
Type 2: The questionnaire about the demand factor of OTOP product, it covers information on business models.
Type 3: The questionnaire about dealing with marketing strategy development and products business management

C. Data Collection Methods

This research is a qualitative research by using in-depth interviews. The questionnaire used in this research was set up according to the objective and conceptual framework of the research on competitive advantage with OTOP business management strategic, to testing the reliability and validity of the data for quality inspection of the tool.

D. Data Analysis

This research is a descriptive method that uses tables to describe the general condition of a project's operation in the community products, such as production volume, the amount of investment costs, revenue, expenditure and all other factors used in production with using interview data and from observation during the survey to accompany the document and this research paper. The study was originally conducted to assist for data analysis. The statistics used in the data analysis are descriptive statistics and to calculate the mean value and percentage value [1,4]. The criteria for the questionnaire are as follows:

Average	Importance level
Rating 5: average range is 4.31 - 5.00 ->	Highest level
Rating 4: average range is 3.51 - 4.30 ->	Very level
Rating 3: average range is 2.46 - 3.50 ->	Medium level
Rating 2: average range is 1.81 - 2.45 ->	Low level
Rating 1: average range is 1.00 - 1.80 ->	Minimal level

VIII. RESULTS OF RESEARCH

The results of this research are based on the interview form constructed by the researcher and developed with synthesizing data and applying theoretical concepts. The research involved the question of information for data analysis on the operation of OTOP products business such as banana, mangosteen, durian, coffee and bird nest of the community area in tambon of amphoe Sawi and Lang Suan, Chumporn province, in Thailand. To study of relevant data and documents for data analysis using SWOT analysis is an micro analysis of internal or external data using PRIMO-F analysis and an macro data analysis or external businesses environment using the PEST analysis model. Thus, external factors are the ability assessment and assessment of the ability to respond to opportunities and threats within the community, Chumporn province, in Thailand [3].

Determine the weighted values by assigning a decimal number values is between 0 (least important) and value 1 (most important) to the weighting of each product within the community. The sum of the weighted value is always 1. It will be considered for the ability of the group within the community. For in each products, the score is 1 (minimum response) to 5 (maximum response ability), the final score is the weight score. The number of water strikes multiplied by the group's grading score. In each product and calculate the sum of weighted scores to show the group's value. Take the scores from internal and external factors to use in data analyzing for investment interests. The matrix is a set of marketing strategies with the TOWS matrix technique and sets the metrics for success, and set the index indicators for success. From the implementation of the strategy to the implementation of the principles of Balanced Scorecard, the framework of the research is shown in Fig. 4.

The results of internal environment research using the PRIMO-F model are found:
P – People: is OTOP product people with knowledgeable personnel, understanding and the ability in the production process is wisdom in the community.
R – Resources: is found that the materials used in the production process are of good quality, fresh and clean.

M – Marketing: within the community group, there are many marketing channels for OTOP product distribution, is include product display, online and in-store sales. However, there are problems in making good marketing plans, brand development and information.

O - Operations: is found the management and operation of the groups was not easy to management. Members will be involved in the definition of the community groups with processing products.

Table 1: The results of the internal environment factors analysis of the OTOP products using the PRIMO-F analysis model

Internal Factor	Weight	Rating	Weighted Score
1. Strengths			
S1 has a taste of the product available, delicious	0.14	5	0.67
S2 producer groups have knowledge, understanding of the production process	0.12	4	0.48
S3 has many product distribution channels	0.09	5	0.35
S4 has regular customers	0.08	4	0.28
S5 has high finance liquidity	0.08	3	0.30
S6 The raw materials used in the production process are of good quality and clean	0.06	3	0.18
2. Weaknesses			
W1 has no clear marketing plan	0.16	2	0.32
W2 has no development of brand, packaging and public relations	0.09	2	0.24
W3 does not develop innovative products and processes	0.06	3	0.16
W4 producer groups do not have the skills to use creativity	0.07	3	0.14
	0.04	3	0.05
W5 financial management and analysis system is not quality	0.05	2	0.10
W6 Product quality inspection system			
Total	1.04	-–	3.27

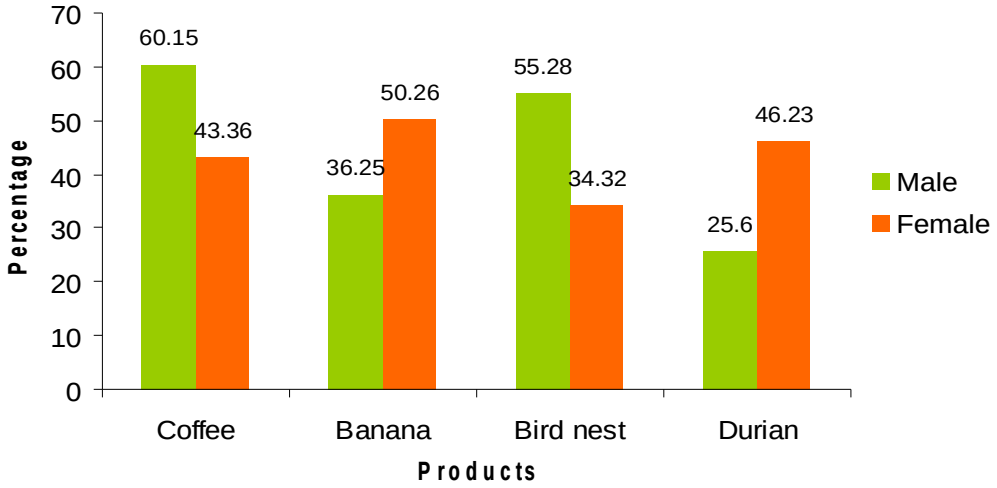


Fig. 7: The results of behavioral analysis of products type selection can be classified by sex

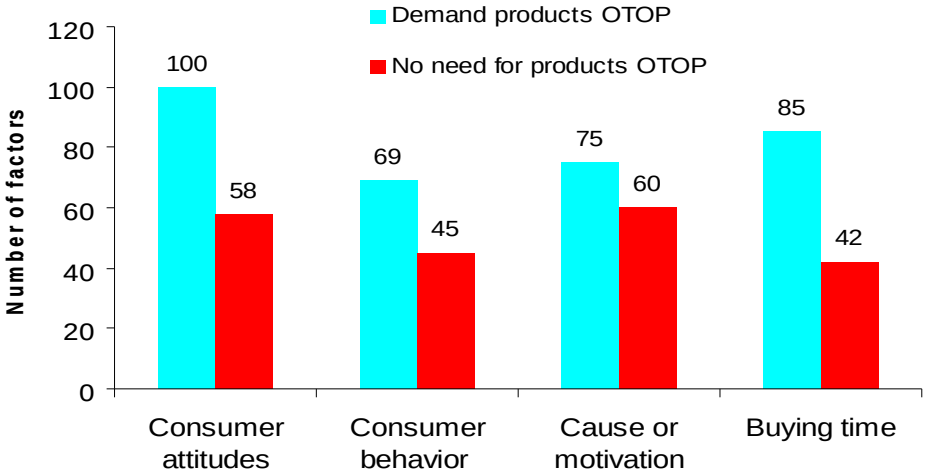


Fig. 8: The result of the collection of consumer information in the business of the community products

Table 2: The results of the external environment factors analysis of the OTOP products using the PEST analysis model

Internal Factor	Weight	Rating	Weighted Score
1. Opportunities			
O1 consumer values are the focus of the product	0.19	5	0.70
O2 the government focuses on OTOP products and entrepreneurship development	0.17	3.8	0.56
O3 tourism sector has a tendency for expansion	0.16	3.6	0.43
O4 situation in the reduction of fuel prices	0.09	2.4	0.22
O5 technology is used to develop production process and distribution	0.10	2.1	0.18
2. Threats			
T1 the producer groups have the same characteristics	0.12	2.5	0.23
T2 the ASEAN Economic Community will result in higher market competition	0.09	2	0.18
T3 access to development support agencies for production technology	0.06	2	0.18
T4 the slowdown in Thailand's economy	0.10	1	0.07
Total	1.08	-–	2.75

F - Finance: in this factor found to have a high financial liquidity. There are clear records of revenues and expenses, which financial analysis such as current ratio, quick ratio. The results of the analysis of the internal environment of the OTOP products using the PRIMO-F analysis model, the mean score of the products was found to be moderate of the total weighted score is 3.27 and the total weight is 1.04 as shown in Table 1. The study results of the external environment using the PEST analysis model, with internal factors of the PRIMO-F analysis were found to be able to bring local products into OTOP products will find that as:

P –Politic: For the government has given importance to raising the demand level and capabilities of OTOP products business. It promotes products in terms of production and exports, such as: are measures to promote investment, measures to support production, etc.

E – Economic: is will find that the economic situation in Thailand is still in a slowdown. The decline in agricultural OTOP products has resulted in lower consumer purchasing.

T – Technology: in this factor found that this community has the opportunity to use new technology to develop the process to meet the needs of maximum consumers. In the field of information technology can also be used to increase the marketing channels to distribute products of the group.

The results of the external environment analysis of OTOP product using the PEST analysis to analyze the weight score in response to external factors was found to low with the total weighted score is 2.75 and the total weight is 1.08 as shown in Table 2. The PRIMO-F and PEST analysis with the scores results were used to the investment interests of the SMEs business. It is interesting to invest in a good level and the results of the reliability and validity variables using the marketing management strategy as shown in Table 4.

Table 3: The results of the marketing strategies management and the development of product using TOWS matrix strategy

Strategies Tactics Actions	Internal Strengths (S)	Internal Weaknesses (W)
External Opportunities (O)	**S-O (Proactive Strategy)** S1,O2 Participates in product demonstration activities S3, O1 Increase the distribution channel S2, O1 Seeking network group engaged in domestic and foreign business	**W-O (Editorial Strategy)** W1, O2 Create a network with educational institutions W2, O1 To develop of management knowledge and marketing plan W4, O1 Development of the logo and packaging
External Threats (T)	**S-T (Defensive Strategy)** S4, T2 Studies behavior in consumer demand S1, T1 To develops new products with differentiate themselves from competitors	**W-T (Inductive Strategy)** W3,T3 To develops technologies to increase efficiency W2,T2 Production processes in collaboration with government agencies

Table 4: The results of the reliability and validity variables of the tool using the marketing management strategy

Variable	Reliability (Alpha coefficient)	validity (Weight value)	Percentage
1. Strategic marketing management	0.892	0.452 - 0.856	30
1.1 Products	0.841	0.761 - 0.845	10
1.2 Price	0.735	0.453 - 0.837	8
1.3 Place: distribution channels	0.806	0.625 - 0.856	12
1.4 Marketing promotion	0.723	0.554 - 0.768	16
2. Competitive advantage in SMEs business	0.918	0.632 - 0.829	24

CONCLUSION

From in Fig.7 shown the results based on this research, it is found that the personal factors of consumers, products in the community. According to the analysis of the sample of 495 samples, it is found that 260 women are female 56 % are 240 male is 54 %, and age between 20-30 years old is 48.50 %, in education of them were 238 undergraduates level is 49.50 %, the majority of the respondents expected to have an average family income 10,000-20,000 Baht (Thai) is 38.76 %. The result from in Fig. 8 shown of the collection of consumer information in the SMEs marketing business of community products of Chumphon province in Thailand, which it was found that most respondents were interested in the OTOP products, in this research results on SWOT analysis of OTOP products in tambon of amphoe Sawi and Lang Suan of community, Chumphon province, in Thailand. The internal factors of the PRIMO-F analysis were found to be able to bring local products into OTOP products with diligence, willingness and potential to operate on a good level. And in the external environment, according to the PEST analysis model, it was found that OTOP products have the ability to respond and low external environment, this research results the entrepreneurs of OTOP producer groups should focus on the development of their product operations, particularly those related to develop of market plans and strategies for managing of products using TOWS matrix strategy as shown in Table 3, and branding of the brand for competition in the same SMEs business.

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